

**STATEMENT BY
SENATOR CHUCK HAGEL
BEFORE THE
SUBCOMMITTEE ON NATIONAL ECONOMIC GROWTH,
NATURAL RESOURCES, AND REGULATORY AFFAIRS
HOUSE COMMITTEE ON GOVERNMENT REFORM**

HEARING ON THE KYOTO PROTOCOL

APRIL 23, 1998

Mr. Chairman and members of the committee, thank you for the opportunity to appear before your subcommittee. My colleagues in the Senate and I are very enthusiastic about the leadership role our colleagues in the House have taken on the global climate change issue.

As Chairman of the Foreign Relations Subcommittee with jurisdiction over the Kyoto Protocol, I know that oversight work is difficult work . . . it is unglamorous work. But it is essential work. So I am grateful to you for holding this hearing.

In the case of the Kyoto Protocol it is particularly important that oversight hearings be held because the treaty would have a severe impact on the everyday lives of Americans . . . people we all represent. As the Administration continues to withhold the Global Climate Treaty from Senate consideration, your leadership, Mr. Chairman, becomes even more important. Committees in the House and Senate must work together to carefully investigate whether this Administration is working to begin implementing parts of a treaty that has not even been submitted ... and will not be submitted to the Senate for ratification.

In February, Undersecretary of State Stuart Eizenstat -- who was the lead U.S. negotiator in Kyoto -- testified before the Senate Foreign Relations Committee. I pressed Secretary Eizenstat about any attempts to implement this treaty prior to Senate ratification. He replied:

“We have no intention through the back door or anything else, without Senate confirmation, of trying to impose or take any steps to impose what would be binding restrictions on our companies, on our industry, on our business, on our agriculture, on our commerce, or on our country until and unless the Senate of the United States says so.”

That certainly sounds clear. It sounds definitive. But I fear that there are others in the Administration who do not share Secretary Eizenstat's clearly stated position. It took over two months for the Administration to answer 39 questions for the record that I asked to be answered within two weeks. Those answers just arrived yesterday. As expected, they did not fully answer most of the questions asked. The Administration only supplied answers this month to the Senate Energy Committee for a hearing they held last October.

The Administration's interest in "implementation without ratification" is not mere speculation. Last October, the President stated that the United States, "must not wait" for the treaty before taking action. By all indications, the Administration is following these instructions.

- The Administration submitted a Budget proposal this year to dramatically increase spending on climate change initiatives. The Administration has asked for \$6.3 billion over 5 years. In yesterday's *Financial Times*, Joe Romm of the Department of Energy was quoted as admitting that \$6.3 billion initiative is intended to help meet emissions reductions mandated in the Kyoto Protocol.
- A leaked EPA memorandum called for creation of a domestic "cap and trade" system to regulate carbon dioxide emissions even before the Kyoto Protocol was submitted to the Senate. This memorandum argued that the Environmental Protection Agency (EPA) has authority under the Clean Air act to directly regulate carbon dioxide emissions. The memo also called for even clearer regulatory authority through the Administration's electricity deregulation proposal. I am convinced that the Administration did not attempt to include climate change programs in its electricity deregulation proposal only because they were caught by the first leak.
- EPA has initiated regulatory outreach programs with states and localities, to encourage them to take action on their own.
- Virtually every Department and Agency now has a climate change office and initiative . . . which begins to implement the Kyoto Treaty. Even the Department of Agriculture has taken up this issue. On March 5, Deputy Secretary Rominger testified before the Senate Agriculture Committee that: "the USDA must escalate its level of activity in the area of global climate change. The Global Change Program Office will be responsible for coordinating the wide range of climate change activities across the Department, supporting the activities of the executive branch and working with the agriculture and rural communities to help them address the challenges of climate change **and realize the opportunities that Kyoto will present.**" I wrote to USDA and asked exactly what they are doing to "realize the opportunities that Kyoto will present," based on the fact that the Kyoto Protocol has not been ratified -- in fact, has not even been signed or submitted to the Senate.

Mr. Chairman, you know how serious this issue is. The Kyoto Protocol violates the explicit criteria set last July when the Senate passed 95-O the Byrd-Hagel resolution. The Senate is on record opposing any treaty that does not include the 134 developing countries or seriously harms the U.S. economy. This treaty fails on both accounts.

First it fails to include any of the 134 developing countries -- countries like China, Mexico, and Korea. This means more than unequal treatment for the U.S. economy and lost jobs for Americans. It also ensures that the treaty would fail to meet its own objective to limit greenhouse gas emissions. Early in the next century, 60% of all manmade greenhouse gas will

come from developing countries. By 20 15, China will become the largest greenhouse gas emitter in the world.

Second, the Kyoto Protocol would inflict devastating harm on the U.S. economy while leaving untouched many of our toughest global competitors, such as China, Korea, Mexico, Singapore and India. Mary Novak, senior vice president of Wharton Econometrics Forecasting Associates (WEFA) (who is one of your panelists today) stated recently before the Senate Agriculture Committee that the Administration's economic "analysis" of the Kyoto agreement is terribly flawed. WEFA has predicted that the U.S. total cost of meeting obligations under the treaty would be \$250 billion. This would be a loss of 3.2% of our gross national product. She stated that the treaty would eliminate about 2.5 million jobs. The annual expense per family would exceed \$2,700.

And for what? Just yesterday the U.S. Energy Information Administration admitted that under the Kyoto Protocol global carbon emissions would jump 32 percent by 2010. This assumes that the United States and every other industrial nation met the draconian cuts in energy use called for in this U.N. Global Climate Treaty. Why should the U.S. Congress support a treaty that would accomplish nothing while devastating the U.S. economy? Even if one accepts the most extreme scientific claims of impending doom -- which I do not -- this treaty would be meaningless, as many of us have been saying, without the developing world.

And the science *is* still uncertain -- at best it is contradictory. Three days ago, 15,000 scientists released a petition urging rejection of the Kyoto Protocol. Nearly all of these 15,000 scientists have technical training suitable for evaluating climate research data. They stated, "there is no convincing scientific evidence that human release of carbon dioxide, methane, or other greenhouse gases is causing or will cause catastrophic heating of the Earth's atmosphere and disruption of the Earth's climate."

And just two weeks ago two respected weather scientists spoke at the National Hurricane Conference in Norfolk, Virginia. They were sharply critical of the global warming holocaust theory so popular in the Administration. William Gray, well-known for his work in hurricane prediction, stated "the changes in climate that the world is experiencing are natural." Neil Frank, former director of the National Hurricane Center, stated that "climate change has nothing to do with carbon dioxide." He also criticized the Administration's climate computer models, saying "the atmosphere is too complex, and computers are too slow" to make long term climate forecasts. He added that he has not seen any data that should force the U.S. into quick decisions on carbon dioxide emissions.

After failure of the Administration's "BTU tax" in 1993, I can understand their possible interest in "backdoor" implementation of the Kyoto Protocol. But such an approach is dishonest. Thank you, Mr. Chairman and your House colleagues, for your efforts to ensure an open and honest debate on this issue, and for your leadership in protecting the hardworking Americans whose interests were abandoned by the Administration in Kyoto, Japan.

Thank you.